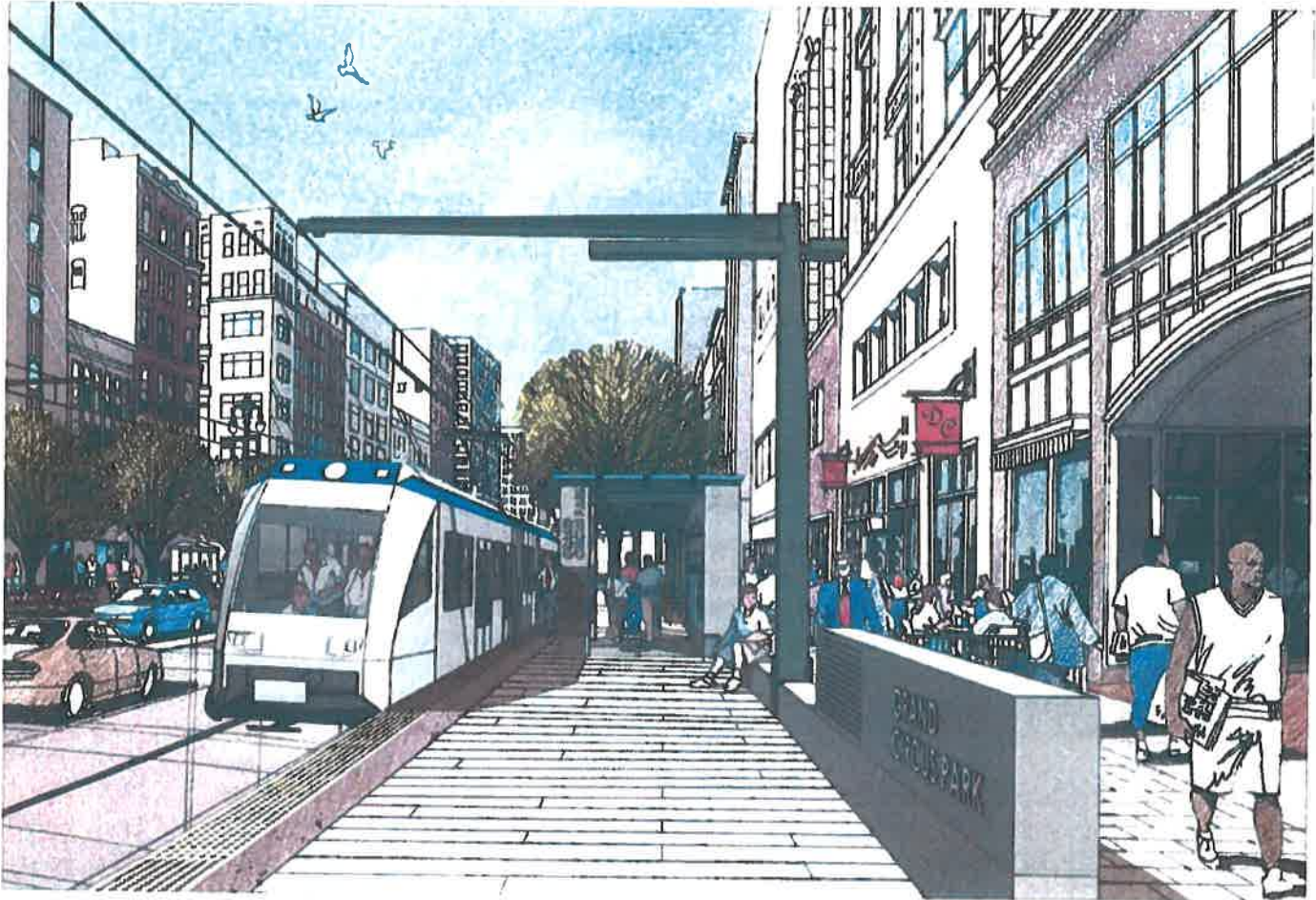


Steven Liedel, Dykema
M-1 Rail

M-1 RAIL



Detroit's Woodward Avenue of the Future

The Woodward Avenue corridor provides a direct link to **125,000** jobs and **275,000** residents. The M-1 RAIL project will be a catalyst for continued job growth, economic vitality and improved mobility.

The mission of M-1 RAIL is to create a catalyst for investment, economic development and urban renewal that positively impacts Detroit through the construction of a streetcar running from Downtown, through Midtown, to New Center, and connecting all points along Woodward Avenue.



M-1 RAIL, a 501(c)(3) corporation, intends to construct and operate a streetcar system along Woodward Avenue in close coordination with MDOT and the City of Detroit.

This unique partnership between the philanthropic and business communities in Detroit and city, state, and federal agencies will help create a modern, multi-modal regional transit system which will result in an integrated, vibrant, walkable and accessible environment.

Fixed-guideway transit along Woodward Avenue will foster additional private development, generating new residential and retail options, creating new jobs and adding significantly to Detroit's tax base.

IT IS ANTICIPATED THAT THE M-1 RAIL STREETCAR PROJECT WILL:

- Provide safe and convenient transportation for residents and visitors.
- Attract more people, businesses and investment within the city.
- Connect with the existing Amtrak service.
- Reduce traffic congestion and parking demand along the corridor.
- Provide a clean, quiet and energy efficient transportation alternative.
- Reduce emissions resulting in better air quality and greater sustainability.
- Attract and retain young talent needed to fuel and grow Detroit's economy.

The streetcar project will create both short-term and long-term jobs within the region. M-1 RAIL estimates the following short-term jobs related to the construction of the streetcar system and long-term jobs associated with operating the streetcar.

ESTIMATED JOBS CREATED BY M1-RAIL STREETCAR

	TYPE	M-1 RAIL JOBS
Direct	System construction	645
	Vehicle construction	130
	Operation and maintenance	39
Indirect	Suppliers	610
Induced	Discretionary spending	590
TOTAL JOBS		2,014



REGIONAL TRANSIT SYSTEM INTEGRATION

In December 2011, a regional transportation strategy was unveiled to provide fast, frequent, comfortable transit service along four corridors within metro Detroit to generate higher transit use. The Southeast Michigan Regional Transit Authority concept, which was approved in December 2012, is envisioned to establish a regional authority to provide service to 22 communities in four counties along the Michigan Avenue, Woodward Avenue, Gratiot Avenue and M-59 corridors.

The M-1 RAIL Project will be a catalyst and serve an important role within this larger envisioned Southeast Michigan transit system. The M-1 RAIL Project and proposed regional Rolling Rapid Transit (RRT) system efforts can be pursued in parallel. First and foremost, the M-1 RAIL Project provides an opportunity to more rapidly implement the region's comprehensive transit vision.

Coordinating the M-1 RAIL streetcar with the RRT system will increase ridership for the RRT and result in more boardings and activity at the Rosa Parks Transit Center. In addition, strategically located stations and these improved transit services will help reduce operations costs and maximize transfer opportunities to support the use of both systems.

The Consolidated Appropriations Act of 2010 allows the private and philanthropic investments being secured by M-1 RAIL to be counted as part of the "Local Share" for a New Starts funded rail or RRT system. Therefore, M-1 RAIL estimates the local match associated with the current project could provide more than \$60 million in local matching funds for any RRT system New Starts application.

VEHICLES

Modern streetcar vehicles will be used, similar to those operating in Seattle and Portland. Up to five vehicles will operate at a time along the route.

Vehicle features will include:

- ADA-accessible level boarding
- Multiple doors for fast boarding
- Clean and quiet electric power operations
- Mixed traffic, to preserve on-street parking
- On-board wi-fi service

PROJECT DESCRIPTION

The 3.3-mile streetcar route will include 11 stations and provide links among key destinations along Woodward Avenue. The streetcar will serve curb-side stations for nearly the entire length of the route, transitioning to center-running at the north and south ends of the system. A one-way trip will take approximately 15 minutes, depending on the time of day.

Key features of the streetcar system include:

- Premium service with 7.5-10 minute headways during peak periods and throughout most of the day, and 12-15 minutes early and late in the day and on weekends.
- Ridership estimated to grow to 3 million trips annually.
- A coordinated fare system with local buses, the People Mover and future transit services to allow seamless transfers and coordinated operations.
- Ticket vending and "next train" technology at all stations.
- Designed to allow future extensions.

"The M-1 RAIL project is an opportunity to invest in the future of Detroit with an efficient and modern transit alternative that reestablishes key linkages between downtown, cultural destinations, health and educational facilities, and stadia. It will complement and support intercity passenger rail services and future envisioned transit within the region."

Source: M-1 RAIL Project Website

PEER CITIES

Portland, Seattle and Tacoma all have seen development occur near their streetcar systems. Since 1997, Portland has had over \$3.5 billion in new investment within two blocks of the streetcar route.

This level of private funding support for public transit is unprecedented, and it is indicative of the strong commitment from local business leaders and from the region's philanthropic community to secure Detroit's future as a vibrant and desirable place to live and work.

ESTIMATED CAPITAL AND OPERATING COSTS

(in 2012 dollars)

Total Capital Cost

\$140 MILLION

Annual Operating Cost

\$5-6.6 MILLION

FUNDING COMMITMENTS

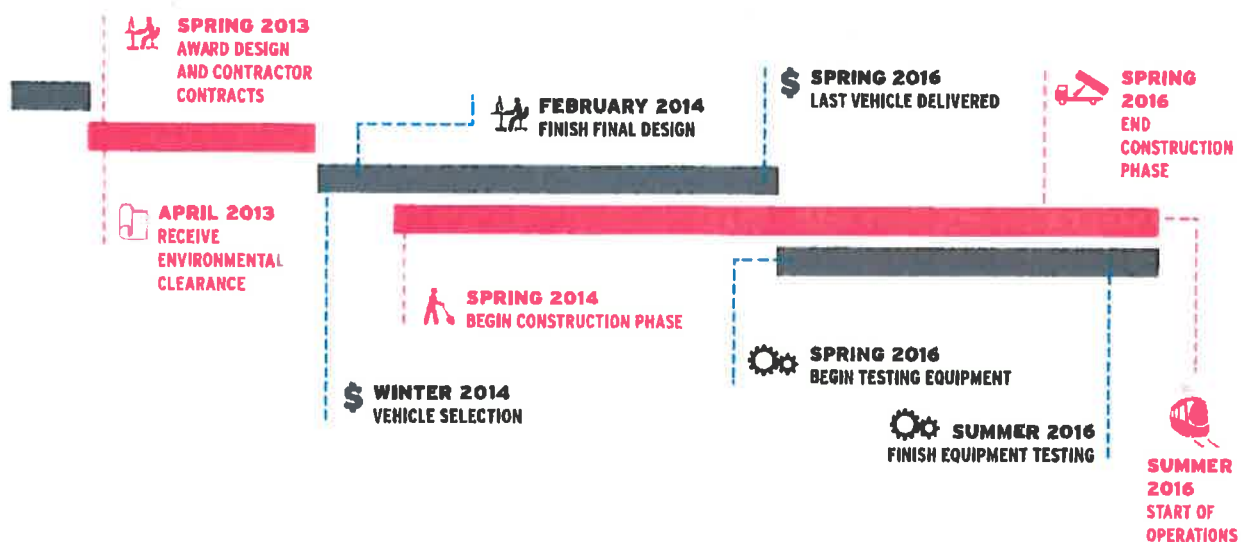
Funding commitments from foundation, corporate, institutional and Detroit Development Authority (DDA) sources will be combined with state and federal grants as well as federal tax credits to implement the project.

PROJECT COSTS

The capital cost for the M-1 RAIL streetcar is estimated at \$140 million. Construction will be closely coordinated with the planned M10T reconstruction of Woodward Avenue in 2014.

The annual operating cost of the streetcar is projected to be \$5 - 6.6 million. This cost is anticipated to be covered by a combination of fare box revenue, private funding support, advertising revenues and public sector support. The project assumes a fixed fare policy of \$1.50 per ride with transit pass options for frequent riders.

PROJECT TIMELINE



The mission of M-1 RAIL is to create a catalyst for investment, economic development and urban renewal that positively impacts Detroit through the construction of a streetcar running from Downtown, through Midtown, to New Center, and connecting all points along Woodward Avenue.

M-1 RAIL FINANCIAL CONTRIBUTORS

Bank of America
Blue Cross Blue Shield of Michigan
Chevrolet
Chrysler
City of Detroit—Downtown
Development Authority (DDA)
Compuware Corporation
Detroit Medical Center
Ford Foundation
Henry Ford Health System
Hudson-Webber Foundation
Ilitch Holdings, Inc.
Penske Corporation
Quicken Loans, Inc.
State of Michigan
The Kresge Foundation
United States Department
of Transportation
Wayne County
Wayne State University

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